

*Washington, DC* - Today, U.S. Rep. John Hall (D-Dover) took a critical step towards restoring our nation's fiscal health by voting for pay-as-you-go, or PAYGO, legislation which ensures that all new spending is paid for. PAYGO helped to take the United States from deficits to surpluses in the 1990s. It requires Congress to pay for all tax cuts and new or increased entitlement programs with savings elsewhere in the budget. The PAYGO legislation now goes to President Obama for his signature.

"PAYGO is a key part of our efforts to restore fiscal discipline and bring down the exploding deficits left behind by the Bush administration and Washington Republicans," said Congressman Hall. "House Democrats understand that to rebuild our economy for the long term, we must create jobs and cut our deficit. We did this before under President Clinton, and I know we can do it again under President Obama."

The PAYGO bill passed today is a critical part of Democratic efforts to restore fiscal responsibility. It's based upon the bipartisan PAYGO law that was in place in the 1990s and helped turn massive deficits into record surpluses. President Bush and the Republican-controlled Congress allowed this law to expire in 2002, which contributed to the dramatic turnaround from a projected surplus of \$5.6 trillion to projected deficits of more than \$11 trillion. Since then, House Democrats have been leading the fight to restore fiscal discipline – first adding PAYGO to House rules upon regaining the majority in 2007.

"PAYGO will help protect against reckless, debt-financed tax cuts, while ensuring we have room to make investments in critical areas like job creation, education and health care," said Hall "I hope Republicans who are serious about cutting the deficit join us as we work to put our nation back on a path of fiscal responsibility."

PAYGO has enjoyed bipartisan support. It was first enacted by a Republican President and Democratic Congress in 1990, extended by a Democratic President and Republican Congress in 1998, and won 24 Republican votes when the House passed it last July.

## Hill Votes to Restore Fiscal Discipline

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